



PETRON CORPORATION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Millions of Pesos)

	Unaudited	Audited
	As at	
	<u>9/30/2009</u>	<u>12/31/2008</u>
ASSETS		
Current Assets		
Cash and cash equivalents	16,746	12,827
Financial assets at fair value through profit or loss	165	161
Available-for-sale investments	-	331
Receivables	26,163	16,875
Inventories	32,611	30,792
Other current assets	3,881	11,977
Total Current Assets	<u>79,566</u>	<u>72,963</u>
Non-Current Assets		
Property, plant and equipment	35,218	36,428
Investment properties	235	246
Available-for-sale investments	1,359	351
Deferred tax assets - net	-	885
Other noncurrent assets	715	925
Total Noncurrent Assets	<u>37,527</u>	<u>38,835</u>
	<u><u>117,093</u></u>	<u><u>111,798</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term loans	45,587	53,979
Liabilities for crude oil and petroleum product importation	10,480	8,907
Accounts payable and accrued expenses	4,043	4,562
Current portion of long-term debt	1,248	1,263
Income tax payable	8	22
	<u>61,366</u>	<u>68,733</u>
Non-Current Liabilities		
Long-term debt - net of current portion	17,956	8,988
Deferred income tax liabilities	218	8
Other noncurrent liabilities	1,247	1,166
Total Noncurrent Liabilities	<u>19,421</u>	<u>10,162</u>
Stockholders' Equity Attributable to Equity Holders of the Parent		
Capital stock	9,375	9,375
Retained earnings		
Appropriated	15,492	23,920
Unappropriated	11,639	(144)
Other reserves	(444)	(473)
Stockholders' Equity Attributable to Equity Holders of the Parent	<u>36,062</u>	<u>32,678</u>
Minority Interest		
Total Stockholders' Equity	<u>36,306</u>	<u>32,903</u>
	<u><u>117,093</u></u>	<u><u>111,798</u></u>



PETRON CORPORATION AND SUBSIDIARIES
STATEMENT OF INCOME
For the Nine Month Period Ended Sept 30, 2009 and 2008
(Amounts in Millions of Pesos, Except Per Share Amounts)

	<u>January to Sept</u>	
	<u>2009</u>	<u>2008</u>
SALES	123,635	216,427
COST OF GOODS SOLD	<u>(111,620)</u>	<u>(205,139)</u>
GROSS PROFIT	12,015	11,288
SELLING AND ADMINISTRATIVE EXPENSES	(4,116)	(4,085)
INTEREST INCOME	147	234
INTEREST EXPENSE	(3,284)	(2,654)
OTHERS	<u>(124)</u>	<u>(1,086)</u>
INCOME BEFORE INCOME TAX	4,638	3,697
PROVISION FOR INCOME TAX	<u>(1,272)</u>	<u>(913)</u>
NET INCOME	<u><u>3,366</u></u>	<u><u>2,784</u></u>
Attributable to:		
Equity holders of the parent	3,347	2,779
Minority interest	<u>19</u>	<u>5</u>
	<u><u>3,366</u></u>	<u><u>2,784</u></u>
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT - BASIC AND DILUTED	<u>0.36</u>	<u>0.30</u>



PETRON CORPORATION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Millions of Pesos)

Unaudited

	<u>Sept 2009</u>	<u>Sept 2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	4,638	3,697
Adjustments for:		
Depreciation and amortization	2,620	2,366
Interest expense	3,284	2,654
Interest income	(147)	(234)
Net unrealized foreign exchange loss (gain)	(55)	239
Others	(26)	54
Operating income before working capital changes	10,314	8,776
Changes in operating assets and liabilities		
Decrease (increase) in assets:		
Receivables	(1,100)	(4,333)
Inventories	513	(19,007)
Other current assets	7,955	814
Increase (decrease) in liabilities:		
Liabilities for crude oil and petroleum product importation	1,707	19,289
Accounts payable and accrued expenses	(367)	1,951
Provisions for doubtful accounts, inventory obsolescence and others	(2,367)	26
Interest paid	(3,368)	(2,650)
Income taxes paid	(72)	(1,205)
Interest received	158	245
Net cash provided by (used in) operating activities	13,373	3,906
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Property, plant and equipment	(1,392)	(4,349)
Decrease (increase) in:		
Other receivables	(8,226)	(1,134)
Other noncurrent assets	217	(303)
Reductions from (additions to):		
Financial assets at fair value through profit or loss	14	-
Available-for-sale investments	(678)	(58)
Net cash provided by (used in) investing activities	(10,065)	(5,844)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of loans	132,665	91,991
Payments of:		
Loans	(132,117)	(89,477)
Cash dividends	(4)	(921)
Others	78	101
Net cash provided by (used in) financing activities	622	1,694
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(11)	71
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,919	(173)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	12,827	9,732
CASH AND CASH EQUIVALENTS AT END OF PERIOD	16,746	9,559